

DISCLAIMER

This electronic version of an SCC order is for informational purposes only and is not an official document of the Commission. An official copy may be obtained from the [Clerk of the Commission, Document Control Center](#).

COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, AUGUST 9, 2002

APPLICATION OF

ALLTEL COMMUNICATIONS, INC.

PST-2002-00003

ALLTEL COMMUNICATIONS
OF VIRGINIA, INC.

ALLTEL COMMUNICATIONS
OF VIRGINIA NO. 1, INC.

RCTC WHOLESALE CORPORATION

PETERSBURG CELLULAR PARTNERSHIP

VIRGINIA RSA 2 LIMITED PARTNERSHIP

Application for review and correction of
items of certification to the Department
of Taxation - Tax Year 2001

Application for correction of assessment of
special regulatory revenue tax and for
a refund - Tax Year 2001

ORDER FOR NOTICE AND HEARING

On April 24, 2002, ALLTEL Communications, Inc., ALLTEL Communications of Virginia, Inc., ALLTEL Communications of Virginia No. 1, Inc., RCTC Wholesale Corporation, Petersburg Cellular Partnership, and Virginia RSA 2 Limited Partnership (collectively hereinafter "ALLTEL") filed with the State Corporation Commission ("Commission") their Joint Petition for Review and Correction of Gross Receipts Certified and Taxes Assessed Pursuant to Va. Code §§ 58.1-400.1 and 58.1-2660

(hereinafter "Joint Petition"). In response to the Commission Staff's request, ALLTEL filed on June 27, 2002, its Supplement to Joint Petition (hereinafter "Supplement"), which provides additional information on the applicants.

According to the Joint Petition, at 3-4, ALLTEL's predecessor entities reported for tax year 2001 certain revenues that are deductible from gross receipts subject to the special regulatory revenue tax levied under § 58.1-2660 of the Code of Virginia ("Code"). In ALLTEL's view, special taxes in the amount of at least \$46,362.39 were overpaid, and it requests a refund. ALLTEL also requests that the Commission recertify its gross receipts subject to the minimum tax levied under § 58.1-400.1 A of the Code.¹

As described in the Supplement, the joint applicants in this proceeding are the successors to legal entities doing business in Virginia as telephone companies in taxable year 2000. The following table identifies the predecessor entities of the joint petitioners:

¹ In the Joint Petition at 3 and 4, ALLTEL contends that the Department of Taxation should recompute the minimum tax after the Commission corrects its certification. The Commission's authority extends only to the certification to the Department of Taxation of gross receipts subject to the minimum tax. If ALLTEL demonstrates in this proceeding that the certification should be corrected, the Commission will promptly advise the Department of Taxation. Any issues of minimum tax liability or refund would be solely within the Department of Taxation's jurisdiction.

<u>Former Entity</u>	<u>FEIN</u>	<u>Joint Applicant</u>	<u>FEIN</u>
Telespectrum of Virginia, Inc.	36-3615089	ALLTEL Communications, Inc.	71-0781563
Virginia Metronet, Inc.	36-3968109	ALLTEL Communications of Virginia, Inc.	71-0781563
360 Communications Company of Charlottesville	36-3501889	ALLTEL Communications of Virginia, Inc.	36-3501889
360 Communications Company of Lynchburg	36-3506513	ALLTEL Communications of Virginia No. 1, Inc.	56-1929568
360 Communications Company of Virginia	47-0649313	ALLTEL Communications of Virginia No. 1, Inc.	56-1929568
360 Communications Company of Danville Limited Partnership	54-1398929	ALLTEL Communications of Virginia No. 1, Inc.	56-1929568
Virginia RSA 1 Limited Partnership	36-4030708	ALLTEL Communications of Virginia No. 1, Inc.	56-1929568
Richmond Cellular Telephone Company	58-2117081	RCTC Wholesale Corporation	64-0741514
Petersburg Cellular Partnership	95-4230746	No Change	
Virginia RSA 2 Limited Partnership	36-4030704	No Change	

Commission records reflect that the predecessor entities were assessed special tax for tax year 2001, and all tax

payments were credited on May 30, 2001. Our records also show that the Commission certified the predecessor entities' tax year 2001 gross receipts to the Department of Taxation on May 14, 2001.

Upon review of the Joint Petition and Supplement, the Commission finds that ALLTEL has applied for review of its assessments within one year of payment and in the form required by § 58.1-2030 of the Code. We also find that, as provided by § 58.1-2674.1 of the Code, ALLTEL has applied for review and correction of the certification of its gross receipts to the Department of Taxation within 18 months of the date of the certification. Accordingly, the Commission will docket the application. As required by § 58.1-2031 and § 58.1-2674.1 of the Code, the Commission will set this matter for hearing and direct ALLTEL to provide notice to the Department of Taxation and other parties in interest.

The Commission will assign this matter to a Hearing Examiner and establish procedures for a hearing. We will also direct the Staff to investigate the application and offer testimony and exhibits on the results of its investigation.

The application and related filings may be inspected in the Document Control Center, Office of the Clerk, First Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia, between 8:15 a.m. and 5:00 p.m. on Commission business days. The

unofficial text of the State Corporation Commission's orders in Case No. PST-2002-00003 may be viewed at <http://www.state.va.us/scc/caseinfo/orders.htm>. The Commission's Rules of Practice and Procedure and other information may be viewed at <http://www.state.va.us/scc>.

Accordingly, IT IS ORDERED THAT:

(1) As provided by § 58.1-2031, § 58.1-2674.1 and related provisions of the Code, ALLTEL's application be docketed as Case No. PST-2002-00003 and that all associated papers be filed in that docket.

(2) A public hearing be held beginning at 10:00 a.m., November 13, 2002, in the Commission's Courtroom, Second Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia, to receive evidence on the application. Individuals with disabilities who require an accommodation to participate in the hearing should contact the Commission at least seven (7) days before the scheduled hearing date at 1-800-552-7945 (voice) or 1-804-371-9206 (TDD).

(3) Any interested person may participate as a public witness at the hearing. Interested persons should arrive at the Commission's Courtroom by 9:45 a.m. on the day of the hearing and inform the Commission's Bailiff that they wish to be a public witness.

(4) As provided by § 12.1-31 of the Code and the Commission's Rules of Practice, 5 VAC 5-20-120, *Procedure before hearing examiners*, a Hearing Examiner be appointed to conduct all further proceedings in this matter on behalf of the Commission and file a final report.

(5) On or before August 23, 2002, ALLTEL shall serve by first-class mail a copy of this Order, the Joint Petition, and the Supplement on the following officials: the Tax Commissioner, the Comptroller of the Commonwealth, and the Attorney General.

(6) On or before September 9, 2002, ALLTEL shall file with the Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, an original and fifteen (15) copies of the testimony and exhibits by which it expects to establish its case and proof of the service required in ordering paragraph (5).

(7) On or before September 13, 2002, any person who expects to participate as a respondent in this proceeding shall file with the Clerk at the address set out in ordering paragraph (6) an original and fifteen (15) copies of a notice of participation as a respondent, as required by the Rules of Practice, 5 VAC 5-20-80 B, *Participation as a respondent*, and shall serve a copy on counsel to ALLTEL, Eric M. Page, Esquire, LeClair Ryan, 4201 Dominion Boulevard, Suite 200, Glen Allen,

Virginia 23060, and on Commission Staff counsel assigned to the matter, Wayne N. Smith, Office of General Counsel, State Corporation Commission, P.O. Box 1197, Richmond, Virginia 23218-1197. The notice of participation shall be filed and served as required by the Rules of Practice, 5 VAC 5-20-140, *Filing and service*, and 5 VAC 5-20-150, *Copies and format*. Any organization, corporation, or government entity participating as a respondent must be represented by counsel as required by the Rules of Practice, 5 VAC 5-20-30, *Counsel*.

(8) Within five (5) business days of receipt of a notice of participation as a respondent, ALLTEL shall serve upon each respondent a copy of this Order, a copy of the Joint Petition, a copy of the Supplement, and a copy of its testimony and exhibits, unless these materials have already been provided to the respondent.

(9) On or before October 4, 2002, each respondent shall file with the Clerk an original and fifteen (15) copies of the testimony and exhibits by which it expects to establish its case and shall serve a copy of the testimony and exhibits on counsel to ALLTEL and on all other parties. Respondents shall comply with the Rules of Practice, 5 VAC 5-20-140, *Filing and service*, 5 VAC 5-20-150, *Copies and format*, and 5 VAC 5-20-240, *Prepared testimony and exhibits*.

(10) The Commission Staff shall investigate the application. On or before October 18, 2002, the Staff shall file with the Clerk the testimony and exhibits that it intends to present at the hearing and copies of any work papers that support the recommendations made in its testimony. Copies of the testimony and exhibits shall be served on all parties.

(11) On or before October 30, 2002, ALLTEL may file with the Clerk an original and fifteen (15) copies of all testimony and exhibits that it expects to offer in rebuttal to testimony and exhibits of the respondents and the Commission Staff and shall serve one copy on all parties.

(12) The Rules of Practice, 5 VAC 5-20-260, *Interrogatories to parties or requests for production of documents and things*, shall be modified for this proceeding as follows: (i) answers and objections shall be served within fourteen (14) days after receipt of interrogatories, counting weekends and holidays; (ii) motions on the validity of any objections raised shall be filed within four (4) business days of receipt of the objection; and (iii) answers, objections, and motions on the validity of objections shall be served by 3:00 p.m. on the date due, unless the Staff or party upon whom service must be made agrees in advance to other arrangements.